



United States Department of the Interior
Bureau of Land Management
Eastern States
7450 Boston Boulevard
Springfield, Virginia 22153
<http://www.blm.gov/es>



Notice of Competitive Oil and Gas Lease Sale

July 30, 2007

In accordance with 43 CFR Part 3120, the Bureau of Land Management Eastern States Office, is pleased to announce that we will offer for competitive sale certain Federal lands in Arkansas (ES-001 thru ES-066) and Louisiana (ES-067 thru ES-103) for oil and gas leasing.

This notice describes—

- the time and place of the auction,
- how to register for and participate in the bidding process,
- the conditions of the auction,
- how to file a pre-sale noncompetitive offer, and,
- how to file a noncompetitive offer after the auction.

When and where will the auction take place?

- When:** The competitive oral auction will begin at **10:00 a.m. on September 13, 2007**. The saleroom will open one hour earlier to allow you to register and get your bidder number.
- Where:** We will hold the auction at The Bureau of Land Management, Eastern States, 7450 Boston Boulevard, Springfield, Virginia 22153.
- Access:** The auction room is accessible to persons with disabilities. If you need an auxiliary aid or service to participate in the auction, such as a sign language interpreter or materials in an alternate format, please contact Ms. Kemba Anderson at (703) 440-1642, via email at kemba_anderson@blm.gov or at the mailing address listed above by August 13, 2007.

How do I register as a bidder?

You have to register and get a bidding number to participate in the sale. A Bidder Registration Form is included in this package. We will have copies available at the auction site. We will begin registering bidders at 9:00 a.m. on the day of the sale.

How do I participate in the bidding process?

The auctioneer will offer the parcels on the list attached to this notice in number order. Only registered bidders may make oral bids. All bids are on a per-acre basis for the entire acreage in the parcel. The winning bid will be the highest oral bid equal to or exceeding the minimum acceptable bid. The decision of the auctioneer is final.

The minimum acceptable bid is \$2 per acre or fraction thereof. If the parcel has fractional acreage, round it up to the next whole acre. For example, a parcel of 100.50 acres requires a minimum bid of \$202.00 (\$2 x 101 acres). After the auctioneer has offered all parcels, you may request that any unsold parcel be re-offered.

What are the terms and conditions of a lease issued as a result of this sale?

- **Term of the lease:** A lease is issued for a primary term of 10 years. It continues beyond that if it has production in paying quantities. We charge a royalty of 12.5 percent of the value of oil or gas removed or sold from a lease. You will find other lease terms on our standard lease form (Form 3100-11, July 2006 or later).
- **Stipulations:** Some parcels are subject to surface use stipulations. They are requirements or restrictions on how you conduct operations. These stipulations are included in the parcel descriptions on the attached list. They become part of the lease and supersede any inconsistent provisions in the lease form.

What are the terms of the sale?

- **Withdrawal:** We reserve the right to withdraw any or all parcels from the sale before the auction begins. If we withdraw any parcels, we will post a notice in the Public Room at the Eastern States Office. You may also get the numbers of withdrawn parcels by contacting Kemba Anderson at (703) 440-1642. If we cancel the sale, we will try to notify all interested parties in advance.
- **Payment:** You cannot withdraw your bid; it is a legally binding commitment to sign the lease bid form; accept the lease; and pay on the day of the auction the bonus bid, the first year's rent, and an administrative fee. The bonus bid is a deposit of at least \$2.00 per acre or fraction thereof. The first year's rent is \$1.50 per acre or fraction thereof. The administrative fee is \$130 per parcel.

You must pay minimum bonus, first year's rental and administrative fee by 4:30 p.m., at the Eastern States accounting office. You may pay the entire amount of your bid on the day of the auction, but if you do not, **you must pay the balance by September 27, 2007**, which is the 10th working day following the auction. If you do not pay in full by this date, you forfeit the right to the lease and all money you have paid us. If you forfeit a parcel, we may offer it for sale at a later auction.

- **Form of payment:** You can pay by personal check, certified check, money order, or credit card (VISA, MASTERCARD, AMERICAN EXPRESS, or DISCOVER). Make a check payable to: **Department of the Interior–BLM**. We do not accept cash. If a check you have sent us in the past has been returned for insufficient funds, we will require that you give us a guaranteed payment, such as a certified check. **Effective February 1, 2005, BLM will not accept credit card or debit card payments to the Bureau for any amount equal to or greater than \$100,000 for any purpose. We also will not accept aggregate smaller amounts to bypass this requirement. We encourage you to make any payments of \$100,000 or more by Automated Clearing House (ACH) or Fed Wire Transfer.**
- **Bid form:** Successful bidders must submit a signed competitive lease bid form (Form 3000-2, Oct. 1989) with their payment on the day of the auction. This form is a legally binding offer by a prospective lessee to accept a lease and all applicable terms and conditions. We recommend you get the form and complete part of it before the auction, leaving part to be filled out at the auction. Your completed bid form certifies that you are qualified to be a lessee under our regulations at 43 CFR Part 12 and Subpart 3102.5-2. It also certifies that you comply with 18 U.S.C. 1860, a law prohibiting unlawful combinations, intimidation of or collusion among bidders.
- **Issuance of a lease:** We (the BLM) will issue your lease within 60 days of the sale date by signing the lease form provided you have paid your fees and rent. The effective date of a lease is the first day of the month following the month in which we sign the lease. We can make it effective the first day of the month in which we sign it, if we receive your written request before we sign the lease.

How do I file a noncompetitive pre-sale offer?

Under our regulations at 43 CFR 3110.1(a), you can file a noncompetitive pre-sale offer for lands that –

- are available,
- have not been under lease during the previous one-year period; or
- have not been included in a competitive lease sale within the previous two-year period.

If no bid is received, your pre-sale offer gives you priority over any offer filed after the auction. In the list of parcels attached to this notice, we have used an asterisk to mark any parcel that has a pending pre-sale offer. By filing a pre-sale offer, you are consenting to all terms and conditions of the lease, including any stipulations for listed on the attachment to this notice.

To file a pre-sale offer, you must send us --:

- A standard lease form (Form 3100-11), which is properly filled out, as required by the regulations under 43 CFR 3110;
- the first year's advance rent in the amount of Rental \$1.50 per acre or fraction thereof; and
- a nonrefundable administrative fee in the amount of \$335.00.

NOTE: You cannot file a pre-sale offer for any lands included in the parcel list attached to this notice.

How do I file a noncompetitive offer after the auction?

You may be able to get a noncompetitive lease for a parcel we offered if –

- we did not withdraw it from the sale;
- it did not receive a bid; and
- it does not have a noncompetitive pre-sale offer pending.

Parcels that meet all these criteria are available on a first-come, first-served basis for two years from the date of the auction. If you want to file a noncompetitive offer for an unsold parcel immediately after the sale or on the next business day, give us the items listed above under pre-sale offers in a sealed envelope marked “Noncompetitive Offer.” We consider all noncompetitive offers that we receive on the day of the sale and the first business day after the sale as filed at the same time (simultaneously). Where an unsold parcel receives more than one simultaneous filing, we will hold a public drawing to determine who will get the lease.

May I protest BLM's decision to offer the lands in this Notice for lease?

Yes, under regulation 43 CFR 3120.1-3, you may protest the inclusion of a parcel listed in this sale notice. All protests must meet the following requirements:

- We must receive a protest no later than close of business on the 15th calendar day prior to the date of the sale. If our office is not open on the 15th day prior to the date of the sale, a protest received on the next day our office is open to the public will be considered timely filed. The protest must also include any statement of reasons to support the protest. We will dismiss a late-filed protest or a protest filed without a statement of reasons.
- A protest must state the interest of the protesting party in the matter.
- You may file a protest either by mail in hardcopy form or by telefax. You may not file a protest by electronic mail. A protest filed by fax must be sent to (703)-440-1551. A protest sent to a fax number other than the fax number identified or a protest filed by electronic mail will be dismissed.
- If the party signing the protest is doing so on behalf of an association, partnership or corporation, the signing party must reveal the relationship between them. For example, unless an environmental group authorizes an individual member of its group to act for it, the individual cannot make a protest in the group's name.

If BLM receives a timely protest of a parcel advertised on this Sale Notice, how does it affect bidding on the parcel?

We will announce receipt of any protests at the beginning of the sale. We will also announce a decision to either withdraw the parcel or proceed with offering it at the sale.

If I am the high bidder at the sale for a protested parcel, when will BLM issue my lease?

We will make every effort to decide the protest within 60 days after the sale. We will issue no lease for a protested parcel until the State Director makes a decision on the protest. If the State Director denies the protest, we will issue your lease concurrently with that decision.

If I am the successful bidder of a protested parcel, may I withdraw my bid and receive a refund of my first year's rental and bonus bid?

No. In accordance with BLM regulations (43 CFR 3120.5-3), you may not withdraw your bid.

If BLM upholds the protest, how does that affect my competitive bid?

If we uphold a protest and withdraw the parcel from leasing, we will refund your first year's rental, bonus bid and administrative fee. If the decision upholding the protest results in additional stipulations, we will offer you an opportunity to accept or reject the lease with the additional stipulations prior to lease issuance. If you do not accept the additional stipulations, we will reject your bid and we will refund your first year's rental, bonus bid and administrative fee.

If BLM's decision to uphold the protest results in additional stipulations, may I appeal that decision?

Yes, you may. Note, an appeal from the State Director's decision must meet the requirements of Title 43 CFR §4.411 and Part 1840.

May I appeal BLM's decision to deny my protest?

Yes, you may. Note, an appeal from the State Director's decision must meet the requirements of Title 43 CFR §4.411 and Part 1840.

May I withdraw my bid if the protestor files an appeal?

No. If the protestor appeals our decision to deny the protest, you may not withdraw your bid. We will issue your lease concurrently with the decision to deny the protest. If resolution of the appeal results in lease cancellation, we will authorize refund of the bonus bid, rentals and administrative fee if—

- there is no evidence that the lessee(s) derived any benefit from possession of the lease during the time they held it, and;
- There is no indication of bad faith or other reasons not to refund the rental, bonus bid and administrative fee.

Where can I get copies of BLM forms?

Form 3100-11, Offer to Lease and Lease for Oil and Gas and Form 3000-2 Competitive Oil and Gas or Geothermal Resources Lease Bid are included with this package. Electronic versions of these forms (PDF format) are available upon request. You may contact Ms. Cindy Kahn at (703) 440-1727 to request that they be emailed to you.

When is the next sale scheduled?

The next sale is tentatively scheduled for December 13, 2007.

Who should I contact if I have a question?

For more information, contact Ms. Kemba K. Anderson at (703) 440-1642.

/s/ Gina A. Goodwin

Gina A. Goodwin

Lead Land Law Examiner

Division of Natural Resources

***PLEASE COMPLETE ONE FORM FOR EACH COMPANY AND/OR INDIVIDUAL YOU
ARE REPRESENTING AND BRING TO THE SALE LOCATION TO SPEED
PROCESSING OF REGISTRATION***

REGISTRATION FORM

BIDDER NO. _____
(Leave Blank)

NAME: _____

BUSINESS PHONE: _____

BUSINESS ADDRESS: _____

**THE LESSEE MUST BE QUALIFIED TO HOLD
A FEDERAL OIL AND GAS LEASE.**

SIGNATURE

DATE

**A COPY OF THE LEASE AND ALL BILLING NOTICES WILL BE SENT TO THE NAME
AND ADDRESS OF THE LESSEE AS SHOWN ON FORM 3000-2 (BID FORM).**

HOTEL INFORMATION

Springfield Hilton
6550 Loisdale Court
Springfield, Virginia
(703) 971-8900

Holiday Inn Express
6401 Brandon Avenue
Springfield, Virginia
(703) 644-5555

Comfort Inn
6560 Loisdale Court
Springfield, Virginia
(703) 922-9000

Best Western
6721 Commerce Street
Springfield, Virginia
(703) 922-6100

Sheraton Pentagon South Hotel
4641 Kenmore Avenue
Alexandria, Virginia
(703) 751-4510

Courtyard by Marriott
6710 Commerce Street
Springfield, Virginia
(703) 924-7200

Hotel shuttle to Reagan National Airport and Metro Subway

Directions to Bureau of Land Management – Eastern States:

From Washington, DC: take I-395 South through the Springfield Interchange to where I-395 becomes I-95. Continue on I-95 to Backlick/Fullerton Road Exit 167. At the light turn right onto Fullerton Road. At the third light, turn left onto Boston Boulevard (COSTCO to the left). Eastern States is approximately 0.3 miles on the right.

From Maryland: Take I-95/I-495, Capital Beltway's Inner Loop, across the Wilson Bridge to Alexandria, VA. Continue on I-95/I-495 to the I-395 Interchange; FOLLOW I-95, SOUTH, towards Richmond, VA. Take Exit 167, Backlick Road/Fullerton Road - the second exit south of the Beltway. At the FIRST Stoplight, Turn RIGHT onto Fullerton Road. At the THIRD Stoplight, Turn LEFT onto Boston Boulevard. Eastern States office (7450 Boston Boulevard) is about 0.3 miles on your right. Take either the sixth or the seventh driveway to the right. Public parking is behind the building.

Traveling North I-95 in Virginia: Take I-95 NORTH, to Exit 166-B, Backlick Road/Fullerton Road, just past the fuel tank farm. Take Exit 167, to Fullerton Road - the second exit. At the FIRST Stoplight, Turn LEFT onto Fullerton Road. At the SECOND Stoplight, Turn LEFT onto Boston Boulevard. Eastern States office (7450 Boston Boulevard) is about 0.3 miles on your right. Take either the sixth or the seventh driveway to the right. Public parking is behind the building.

Ouachita National Forest – Arkansas

Public Domain Lands

ES-001-09/07 ARES 054993 PD

Arkansas, Scott County, Ouachita National Forest
T2N, R32W, 5th Principal Meridian
Sec. 11, W2, S2NE, N2SE;
Sec. 12, N2N2, SWNW.
680.00 Acres
\$1,020.00 Rental
Subject to Forest Service Notice to Lessee No. 3 and 4

ES-002-09/07 ARES 054994 PD

Arkansas, Scott County, Ouachita National Forest
T2N, R32W, 5th Principal Meridian
Sec. 13, S2S2;
Sec. 15, NE, SENW, SWSW.
400.00 Acres
\$600.00 Rental
Subject to Forest Service Notice to Lessee No. 3 and 4

ES-003-09/07 ARES 054995 PD

Arkansas, Scott County, Ouachita National Forest
T2N, R32W, 5th Principal Meridian
Sec. 16, All.
640.00 Acres
\$960.00 Rental
Subject to Forest Service Notice to Lessee No. 3 and 4

ES-004-09/07 ARES 054996 PD

Arkansas, Scott County, Ouachita National Forest
T2N, R32W, 5th Principal Meridian
Sec. 17, All.
640.00 Acres
\$960.00 Rental
Subject to Forest Service Notice to Lessee No. 3 and 4

ES-005-09/07 ARES 054997 PD

Arkansas, Scott County, Ouachita National Forest
T2N, R32W, 5th Principal Meridian
Sec. 18, All.
626.02 Acres
\$940.50 Rental
Subject to Forest Service Notice to Lessee No. 3 and 4

ES-006-09/07 ARES 054998 PD

Arkansas, Scott County, Ouachita National Forest

T2N, R32W, 5th Principal Meridian

Sec. 19, N2, NWSW;

Sec. 20, E2, N2NW, SENW, SESW.

826.51 Acres

\$1,240.50 Rental

Subject to Forest Service Notice to Lessee No. 3 and 4

ES-007-09/07 ARES 054999 PD

Arkansas, Scott County, Ouachita National Forest

T2N, R32W, 5th Principal Meridian

Sec. 21, N3/4W2, NWNE.

280.00 Acres

\$420.00 Rental

Subject to Forest Service Notice to Lessee No. 3 and 4

ES-008-09/07 ARES 055000 PD

Arkansas, Yell County, Ouachita National Forest

T5N, R25W, 5th Principal Meridian

Sec. 31, N2NW.

77.30 Acres

\$117.00 Rental

Subject to Control Surface Use Stipulation #1

Subject to Forest Service Notice to Lessee No. 3 and 4

Acquired Lands

ES-009-09/07 ARES 055001 ACQ

Arkansas, Scott County, Ouachita National Forest

T2N, R32W, 5th Principal Meridian

Sec. 1, NWNW, S2NE, SWSW, NESW, NWSE;

Sec. 2, NENE, N2NW, W2SW, NESW, NWSE, SESE.

563.04 Acres

\$846.00 Rental

Subject to Forest Service Notice to Lessee No. 3 and 4

ES-010-09/07 ARES 055002 ACQ

Arkansas, Scott County, Ouachita National Forest

T2N, R32W, 5th Principal Meridian

Sec. 7, N2NE, SESE;

Sec. 8, NW, N2SW, SWSW.

400.00 Acres

\$600.00 Rental

Subject to Forest Service Notice to Lessee No. 3 and 4

ES-011-09/07 ARES 055003 ACQ

Arkansas, Scott County, Ouachita National Forest

T2N, R32W, 5th Principal Meridian

Sec. 10, N2S2NESW;

Sec. 11, N2NE;

Sec. 12, SENW, S2NE, NESW, N2SE, SESE.

370.00 Acres

\$555.00 Rental

Subject to Forest Service Notice to Lessee No. 3 and 4

ES-012-09/07 ARES 055004 ACQ

Arkansas, Scott County, Ouachita National Forest

T2N, R32W, 5th Principal Meridian

Sec. 15, N2NW, SWNW, NWSW, E2SW, SE;

Sec. 19, SWSW, E2SW, SE;

Sec. 20, SWNW, N2SW, SWSW.

836.21 Acres

\$1,255.50 Rental

Subject to Forest Service Notice to Lessee No. 3 and 4

ES-013-09/07 ARES 055005 ACQ

Arkansas, Perry and Yell Counties, Ouachita National Forest

T4N, R21W, 5th Principal Meridian

Sec. 6, N2NE, SENE, NW.

280.00 Acres

\$420.00 Rental

Subject to Forest Service Notice to Lessee No. 3 and 4

ES-014-09/07 ARES 055006 ACQ

Arkansas, Yell County, Ouachita National Forest

T5N, R25W, 5th Principal Meridian

Sec. 31, S2N2, N2NE.

236.70 Acres

\$355.50 Rental

Subject to Control Surface Use Stipulation #1

Subject to Forest Service Notice to Lessee No. 3 and 4

ES-015-09/07 ARES 055007 ACQ

Arkansas, Yell County, Ouachita National Forest

T5N, R25W, 5th Principal Meridian

Sec. 32, All.

640.00 Acres

\$960.00 Rental

Subject to Control Surface Use Stipulation #1

Subject to Forest Service Notice to Lessee No. 3 and 4

ES-016-09/07 ARES 055008 ACQ

Arkansas, Yell County, Ouachita National Forest

T5N, R25W, 5th Principal Meridian

Sec. 33, All.

640.00 Acres

\$960.00 Rental

Subject to Forest Service Notice to Lessee No. 3 and 4

CONTROLLED SURFACE USE STIPULATION #1
OUACHITA NATIONAL FOREST

Surface occupancy or use is subject to the following special operating constraints:

Management Area 17 – Semi Primitive Area: Activities must be conducted in such a manner as to reasonably reduce visibility of the operation and meet visual quality and other Management Area objectives to the extent practical.

On the lands described below:

T5N, R25W

Section 31: All Federal lands

Section 32: All

For the purpose of:

To meet Management Area 17 Forest Plan objectives; Ouachita National Forest Revised Forest Plan 9/23/2005, as amended and Final EIS. RFP Design Criteria RS003.

Any changes to this stipulation will be made in accordance with the Ouachita National Forest Land and Resource Management Plan, as amended, and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS manual 1950 and 2820).

LEASE NOTICE #3

All or part of the leased lands may contain animal or plant species classified under the Endangered Species Act of 1973, as amended. Other species may have been identified as sensitive in accordance with Forest Service Manual 2670 and be listed on the current Regional Forester's List of Sensitive Plant and Animal Species. Further information concerning the classification of these species may be obtained from the authorized Forest Officer.

Exploration and development proposals may be limited or modifications required if activity is planned within the boundaries of a threatened, endangered or sensitive plant or animal species location as it then exists. All activities within these areas must be conducted in accordance with existing laws, regulations and the Forest Land and Resource Management Plan guidelines.

LEASE NOTICE #4

All or part of the leased lands may be classified as wetlands in accordance with Executive Order 11990, "Protection of Wetlands" or a floodplain in accordance with Executive Order No. 11988, "Floodplain Management." Additional management requirements for the protection of riparian areas are contained in 36 CFR 219.27(e) and the National Forest Management Act of 1976.

All activities within these areas may require special measures to mitigate adverse impacts to the resource values. They must comply with the above referenced executive orders, regulations, laws and be in accordance with the Forest Land and Resource Management Plan guidelines.

Further information concerning the classification and management of these lands may be obtained from the authorized Forest Officer.

STIPULATION FOR LANDS OF THE NATIONAL FOREST SYSTEM UNDER THE JURISDICTION OF THE DEPARTMENT OF AGRICULTURE

The lessee/permittee/lessee must comply with all the rules and regulations of the Secretary of the Agriculture set forth at Title 36, Chapter II, of the Code of Federal Regulations governing the use and management of the National Forest System (NFS) when not inconsistent with the rights granted by the Secretary of the Interior in the license/prospecting permit/lease. The Secretary of Agriculture's rules and regulations must be compiled with for all use and occupancy of the NFS prior to approval of a permit/operation plan by the Secretary of the Interior, (2) uses of all existing improvements, such as Forest development roads, within and outside the area licensed, permitted or leased by the Secretary of the Interior, and (3) use and occupancy of the NFS not authorized by a permit/operating plan approved by the Secretary of the Interior.

All matters related to this stipulation are to be addressed to:

Forest Supervisor, Ouachita National Forest
P.O. Box 1270
The Federal Building
100 Reserve
Hot Springs, Arkansas 71902
Phone Number: (501) 321-5202

BLM Field Office
Jackson Field Office
411 Briarwood Drive, Suite 404
Jackson, Mississippi 39206

Surface Management Agency
USDA, Forest Service (Region 8)
Room 792 South, Lands and Minerals
Atlanta, Georgia 30367

Ozark National Forest – Arkansas

Public Domain Lands

ES-017-09/07 ARES 055009 PD

Arkansas, Yell County, Ozark National Forest

T11N, R16W, 5th Principal Meridian

Sec. 29, S2N2, SW, N2SE, SWSE, N2SESE, N2SWSESE, SWSWSESE, N2SESESE;

Sec. 30, N2SW.

552.03 Acres

\$829.50 Rental

Subject to Controlled Surface Use Stipulation #1B

ES-018-09/07 ARES 055010 PD

Arkansas, Yell County, Ozark National Forest

T11N, R16W, 5th Principal Meridian

Sec. 31, NWNE, SENE, S2SWNW, N2NWSW.

119.66 Acres

\$180.00 Rental

Subject to Controlled Use Stipulation # 1B and 1C

Subject to Lease Notice #3

ES-019-09/07 ARES 055011 PD

Arkansas, Yell County, Ozark National Forest

T11N, R16W, 5th Principal Meridian

Sec. 32, SENENE, S2NENENE, S2SWNENE, W2NENWNE, NWNWNE, W2SWNWNE,
E2NW, NESW, S2SW, SWSE.

280.00 Acres

\$420.00 Rental

Subject to Controlled Surface Use Stipulation #1B

ES-020-09/07 ARES 055012 PD

Arkansas, Pope County, Ozark National Forest

T12N, R17W, 5th Principal Meridian

Sec. 31, N2N2, SENE, S2NW, W2SW, SESW, E2SE.

476.16 Acres

\$715.50 Rental

Subject to Controlled Surface Use Stipulation #1A

ES-021-09/07 ARES 055013 PD

Arkansas, Pope County, Ozark National Forest

T12N, R18W, 5th Principal Meridian

Sec. 1, N2NW, SW, W2SE, W2W2NESE, SESE.

368.27 Acres

\$553.50 Rental

Subject to Controlled Surface Use Stipulation #1E

ES-022-09/07 ARES 055014 PD

Arkansas, Pope County, Ozark National Forest
T12N, R18W, 5th Principal Meridian
Sec. 2, SWNE, W2NW, E2SW;
Sec. 3, N2, NWSW.
559.11 Acres
\$840.00 Rental
Subject to Controlled Surface Use Stipulation #1D and 1E

ES-023-09/07 ARES 055015 PD

Arkansas, Pope County, Ozark National Forest
T12N, R18W, 5th Principal Meridian
Sec. 4, N2, SW,SWSE.
516.82 Acres
\$775.50 Rental
Subject to Controlled Surface Use Stipulation #1D and 1E

ES-024-09/07 ARES 055016 PD

Arkansas, Pope County, Ozark National Forest
T12N, R18W, 5th Principal Meridian
Sec. 5, N2, N2SW, SE.
555.70 Acres
\$834.00 Rental
Subject to Controlled Surface Use Stipulation #1D and 1E

ES-025-09/07 ARES 055017 PD

Arkansas, Pope County, Ozark National Forest
T12N, R18W, 5th Principal Meridian
Sec. 6, NE, E2NW, SW, NWSE.
430.69 Acres
\$646.50 Rental
Subject to Controlled Surface Use Stipulation #1D and 1E

ES-026-09/07 ARES 055018 PD

Arkansas, Pope County, Ozark National Forest
T12N, R18W, 5th Principal Meridian
Sec. 7, E2NE, SWNE, N2NW, SENW, E2SW, SWSW, SE.
516.76 Acres
\$775.50 Rental
Subject to Controlled Surface Use Stipulation #1D, 1E, and 1G

ES-027-09/07 ARES 055019 PD

Arkansas, Pope County, Ozark National Forest
T12N, R18W, 5th Principal Meridian
Sec. 8, NE, S2NW, S2.
560.00 Acres
\$840.00 Rental
Subject to Controlled Surface Use Stipulation #1D and 1E

ES-028-09/07 ARES 055020 PD

Arkansas, Pope County, Ozark National Forest
T12N, R18W, 5th Principal Meridian
Sec. 9, N2N2, S2NW, NWSW, S2S2, NESE.
480.00 Acres
\$720.00 Rental
Subject to Controlled Surface Use Stipulation #1D and 1E

ES-029-09/07 ARES 055021 PD

Arkansas, Pope County, Ozark National Forest
T12N, R18W, 5th Principal Meridian
Sec. 10, SWNE, W2W2, SENW;
Sec. 11, S2NE, SENW, SE.
520.00 Acres
\$780.00 Rental
Subject to Controlled Surface Use Stipulation #1D and 1E

ES-030-09/07 ARES 055022 PD

Arkansas, Pope County, Ozark National Forest
T12N, R18W, 5th Principal Meridian
Sec. 12, W2NE, NW, W2SW, NESW, NWSE.
400.00 Acres
\$600.00 Rental
Subject to Controlled Surface Use Stipulation #1E

ES-031-09/07 ARES 055023 PD

Arkansas, Pope County, Ozark National Forest
T12N, R18W, 5th Principal Meridian
Sec. 13, NENE, SWNE, W2W2, SENW, NESW, NWSE;
Sec. 14, N2NE, S2S2.
600.00 Acres
\$900.00 Rental
Subject to Controlled Surface Use Stipulation #1D and 1E

ES-032-09/07 ARES 055024 PD

Arkansas, Pope County, Ozark National Forest

T12N, R18W, 5th Principal Meridian

Sec. 15, S2NE, NW, SE.

400.00 Acres

\$600.00 Rental

Subject to Controlled Surface Use Stipulation #1D, 1E, and 1F

ES-033-09/07 ARES 055025 PD

Arkansas, Pope County, Ozark National Forest

T12N, R18W, 5th Principal Meridian

Sec. 17, E2, E2NW, SWNW, NESW, E2NWSW, E2W2NWSW, W2SWSW, SWNESWSW,
W2SESWSW, SESESWSW, N2SESW, NESWSESW, N2SESESW.

567.50 Acres

\$852.00 Rental

Subject to Controlled Surface Use Stipulation #1D, 1E, 1F, and 1G

ES-034-09/07 ARES 055026 PD

Arkansas, Pope County, Ozark National Forest

T12N, R18W, 5th Principal Meridian

Sec. 18, SWNE, W2, W2SE, NWNESE, W2SWNESE, SESE.

491.76 Acres

\$738.00 Rental

Subject to Controlled Surface Use Stipulation #1D, 1E, and 1F

ES-035-09/07 ARES 055027 PD

Arkansas, Pope County, Ozark National Forest

T12N, R18W, 5th Principal Meridian

Sec. 19, E2, N2NW, SENW, SW.

599.14 Acres

\$900.00 Rental

Subject to Controlled Surface Use Stipulation #1D, 1E, and 1F

ES-036-09/07 ARES 055028 PD

Arkansas, Pope County, Ozark National Forest

T12N, R18W, 5th Principal Meridian

Sec. 20, E2, W2NWNENW, SWNENW, W2NW, SENW, SW.

615.00 Acres

\$922.50 Rental

Subject to Controlled Surface Use Stipulation #1D, 1E, and 1F

ES-037-09/07 ARES 055029 PD

Arkansas, Pope County, Ozark National Forest

T12N, R18W, 5th Principal Meridian

Sec. 21, NENE, NW, E2NESW, E2W2NESW, NWNWNESE, SWSWNESE, N2NENWSW,
NENWNWSW, W2W2NWSW, SESWNWSW, S2SENWSW, S2SW;

Sec. 22, N2N2, SENE, NESW;

Sec. 23, NWNE, SWNW, N2SW, SESW.

780.00 Acres

\$1,170.00 Rental

Subject to Controlled Surface Use Stipulation #1D and 1F

ES-038-09/07 ARES 055030 PD

Arkansas, Pope County, Ozark National Forest

T12N, R18W, 5th Principal Meridian

Sec. 24, E2NW, NWSW, S2SE.

200.00 Acres

\$300.00 Rental

Subject to Controlled Surface Use Stipulation #2

ES-039-09/07 ARES 055031 PD

Arkansas, Pope County, Ozark National Forest

T12N, R18W, 5th Principal Meridian

Sec. 25, NE, S2NW, E2SW, N2NWSW, N2SWNWSW, SENWSW, N2SE;

Sec. 26, E2NESW, S2SW.

535.00 Acres

\$802.50 Rental

Subject to Controlled Surface Use Stipulation #1D and 1F

ES-040-09/07 ARES 055032 PD

Arkansas, Pope County, Ozark National Forest

T12N, R18W, 5th Principal Meridian

Sec. 27, W2NE, SENE, NW, N2SE, SESE;

Sec. 28, E2NE, NWNW, E2SW, NESE.

640.00 Acres

\$960.00 Rental

Subject to Controlled Surface Use Stipulation #1D and 1F

ES-041-09/07 ARES 055033 PD

Arkansas, Pope County, Ozark National Forest

T12N, R18W, 5th Principal Meridian

Sec. 29, N2, E2SW, N2SE, SWSE.

520.00 Acres

\$780.00 Rental

Subject to Controlled Surface Use Stipulation #1D and 1F

ES-042-09/07 ARES 055034 PD

Arkansas, Pope County, Ozark National Forest
T12N, R18W, 5th Principal Meridian
Sec. 30, N2, SW, W2SE.
561.73 Acres
\$843.00 Rental
Subject to Controlled Surface Use Stipulation #1F

ES-043-09/07 ARES 055035 PD

Arkansas, Pope County, Ozark National Forest
T12N, R18W, 5th Principal Meridian
Sec. 31, All.
652.70 Acres
\$979.50 Rental
Subject to Controlled Surface Use Stipulation #1D and 1F

ES-044-09/07 ARES 055036 PD

Arkansas, Pope County, Ozark National Forest
T12N, R18W, 5th Principal Meridian
Sec. 32, SWNE, W2, NWSE, S2SE.
480.00 Acres
\$720.00 Rental
Subject to Controlled Surface Use Stipulation #1D and 1F

ES-045-09/07 ARES 055037 PD

Arkansas, Pope County, Ozark National Forest
T12N, R18W, 5th Principal Meridian
Sec. 33, N2NE, SENE, W2.
440.00 Acres
\$660.00 Rental

ES-046-09/07 ARES 055038 PD

Arkansas, Pope County, Ozark National Forest
T12N, R18W, 5th Principal Meridian
Sec. 34, N2NW, SWNW, S2SE;
Sec. 35, NENENE, W2NWNENE, E2SENENE, SENE, SE;
Sec. 36, NENE, S2NE, NESE.
580.00 Acres
\$870.00 Rental
Subject to Controlled Surface Use Stipulation #1F and 1G

ES-047-09/07 ARES 055039 PD

Arkansas, Crawford County, Ozark National Forest

T12N, R30W, 5th Principal Meridian

Sec. 24, SWNE.

40.00 Acres

\$60.00 Rental

Acquired Lands

ES-048-09/07 ARES 055040 ACQ

Arkansas, Pope County, Ozark National Forest
T12N, R18W, 5th Principal Meridian
Sec. 1, S2NW.
80.22 Acres
\$121.50 Rental
Subject to Controlled Surface Use #1A

ES-049-09/07 ARES 055041 ACQ

Arkansas, Pope County, Ozark National Forest
T12N, R18W, 5th Principal Meridian
Sec. 2, W2W2NENE, NWNE, SENE, E2NW, SE;
Sec. 3, E2SW, SWSW, SE.
608.11 Acres
\$913.50 Rental
Subject to Controlled Surface Use Stipulation #1 and 1A

ES-050-09/07 ARES 055042 ACQ

Arkansas, Pope County, Ozark National Forest
T12N, R18W, 5th Principal Meridian
Sec. 4, N2SE, SESE;
Sec. 5, S2SW.
160.00 Acres
\$240.00 Rental
Subject to Controlled Surface Use #1A

ES-051-09/07 ARES 055043 ACQ

Arkansas, Pope County, Ozark National Forest
T12N, R18W, 5th Principal Meridian
Sec. 6, E2SE, SWSE, W2NW;
Sec. 7, NWNE, SENW, NWSW.
309.14 Acres
\$465.00 Rental
Subject to Controlled Surface Use Stipulation #1 and 1A

ES-052-09/07 ARES 055044 ACQ

Arkansas, Pope County, Ozark National Forest
T12N, R18W, 5th Principal Meridian
Sec. 8, N2NW;
Sec. 9, S2NE, NESW, NWSE.
200.00 Acres
\$300.00 Rental
Subject to Controlled Surface Use #1A

ES-053-09/07 ARES 055045 ACQ

Arkansas, Pope County, Ozark National Forest

T12N, R18W, 5th Principal Meridian

Sec. 10, N2NE, SENE, NENW, E2SW, SE.

400.00 Acres

\$600.00 Rental

Subject to Controlled Surface Use Stipulation #1 and 1A

ES-054-09/07 ARES 055046 ACQ *ARES 054888

Arkansas, Pope County, Ozark National Forest

T12N, R18W, 5th Principal Meridian

Sec. 11, N2NE, SWNW, SW, N2NW;

Sec. 12, E2E2, SESW, SWSE;

Sec. 13, NWNW, SENE, NENW, SESW, E2SE, SWSE;

Sec. 14, SENE, NW, N2SW.

1,280.00 Acres

\$1,920.00 Rental

Subject to Controlled Surface Use Stipulation #1 and 1A

ES-055-09/07 ARES 055047 ACQ

Arkansas, Pope County, Ozark National Forest

T12N, R18W, 5th Principal Meridian

Sec. 15, N2NE;

Sec. 16, N2, W2SW, N2SE, SESE;

Sec. 17, NWNW, N2NESWSW, SENESWSW, NESESWSW, W2SWSESW, SESWSESE, S2SESESW.

662.50 Acres

\$994.50 Rental

Subject to Controlled Surface Use Stipulation #1, 1A, 1B, and 1C

ES-056-09/07 ARES 055048 ACQ

Arkansas, Pope County, Ozark National Forest

T12N, R18W, 5th Principal Meridian

Sec. 18, N2NE, SENE;

Sec. 19, Part of the SWNW described as follows: Beginning at the NW corner of the SWNW, thence east 19.78 chains, thence south 11.21 chains, thence west 11.36 chains, thence south 5.76 chains, thence west 3.03 chains, thence south 3.05 chains, thence west 5.41 chains to the west ¼ corner of Section 19, thence north to POB, containing 28.75 acres, more or less;

Sec. 34, S2SWSW.

50% U.S. Mineral Interest

168.75 Acres

\$253.50 Rental

Subject to Controlled Surface Use Stipulation #1A and 1C

ES-057-09/07 ARES 055049 ACQ

Arkansas, Pope County, Ozark National Forest

T12N, R18W, 5th Principal Meridian

Sec. 20, E2NENW, E2NWNENW;

Sec. 21, S2SE;

Part of N2SE lying south of a branch described as follows: Beginning in the center of said branch 9.42 chains south of ¼ corner on east side of Section 21, thence with the meanderings of the branch southwesterly 32.78 chains, thence east 29.18 chains to the SE corner of NESE thence north 10.58 chains to POB, containing 16.33 acres, more or less.

121.33 Acres

\$183.00 Rental

Subject to Controlled Surface Use Stipulation #1 and 1B

ES-058-09/07 ARES 055050 ACQ *ARES 054872

Arkansas, Pope County, Ozark National Forest

T12N, R18W, 5th Principal Meridian

Sec. 22, SWNE, S2NW, W2SW, SESW, NWSE, SWSWSE, E2W2SESE, E2SESE;

Sec. 23, E2E2NE, N2SWNE, N2NW, N2SENE, SWSW.

520.00 Acres

\$780.00 Rental

Subject to Controlled Surface Use Stipulation #1, 1B, and 1C

ES-059-09/07 ARES 055051 ACQ *ARES 054871

Arkansas, Pope County, Ozark National Forest

T12N, R18W, 5th Principal Meridian

Sec. 24, N2NE, W2NW;

Sec. 25, S2SWNWSW, SWSW, S2SE.

285.00 Acres

\$427.50 Rental

Subject to Controlled Surface Use Stipulation #1C

ES-060-09/07 ARES 055052 ACQ *ARES 054873

Arkansas, Pope County, Ozark National Forest

T12N, R18W, 5th Principal Meridian

Sec. 26, NWNW, SESE, NWSWNW;

Part of NWNE & NENW described as follows: Beginning at the north ¼ corner of Section 26, thence west 12.25 chains to POB, thence south 1.90 chains to an old road and outside of fence, thence southeasterly with road and fences 19.05 chains to the intersection of road and forty line on east side of NENW, thence south 0.58 chains along forty line to intersection of creek, thence 3.20 chains southwesterly with meanderings of the creek to an old road, thence southwesterly 2.53 chains along old road to intersection of forty line on south side of NENW, thence west 1.29 chains along forty line on south side of NENW, thence northwesterly 17.37 chains along fence line to intersection of forty line on west side of NENW, thence east 7.75 chains along section line to POB, containing 29.28 acres, more or less;

Part of NESWNW described as follows: Beginning at the NW corner of NWSWNW, thence east 8.98 chains to a point in the center of a branch, thence southwesterly 3.29 chains with the meanderings to the branch, thence west 6.90 chains to a point on the west line of NESWNW, thence north 2.44 chains to POB, containing 2 acres, more or less.

Sec. 27, NENE, SW, SWSE.

361.28 Acres

\$543.00 Rental

Subject to Controlled Surface Use Stipulation #1B

ES-061-09/07 ARES 055053 ACQ

Arkansas, Pope County, Ozark National Forest

T12N, R18W, 5th Principal Meridian

Sec. 28, SWNE, NENW, W2SE, SESE;

NWNE less and except 1.43 acres lying between Graveyard Branch and County Road, said NWNE containing 38.57 acres, more or less.

238.57 Acres

\$358.50 Rental

Subject to Controlled Surface Use stipulation #1 and 1B

ES-062-09/07 ARES 055054 ACQ

Arkansas, Pope County, Ozark National Forest

T12N, R18W, 5th Principal Meridian

Sec. 29, W2SW;

Sec. 30, E2SE;

Sec. 33, SWNE, W2SE, S2SESE;

Sec. 34, SENW, N2SE.

420.00 Acres

\$630.00 Rental

Subject to Controlled Surface Use stipulation #1 and 1B

ES-063-09/07 ARES 055055 ACQ

Arkansas, Pope County, Ozark National Forest

T12N, R18W, 5th Principal Meridian

Sec. 35, E2NWNENE, SWNENE, W2SENENE, W2NE;

E2NW less and except 1.70 acres described as follows: Beginning at the SESENW, thence north 8 chains, thence west 2.125 chains to the POB, thence north 46 degrees 30" west 3.74 chains, thence south 44 degrees west 4.55 chains, thence south 43 degrees east 3.73 chains, thence north 43 degrees 30" east 4.77 chains to the place of beginning, said E2NW containing 78.30 acres, more or less;

W2NW less and except 2.27 acres lying west of Smyrna Road;

Sec. 36, NWNE, SESE.

336.03 Acres

\$505.50 Rental

Subject to Controlled Surface Use stipulation #1 and 1B

ES-064-09/07 ARES 055056 ACQ

Arkansas, Crawford County, Ozark National Forest

T12N, R30W, 5th Principal Meridian

Sec. 12, SWSE.

40.00 Acres

\$60.00 Rental

Subject to Forest Service Notice to Lessee No. 3 and 4

Future Interest Lands

ES-065-09/07 ARES 055057 ACQ

Arkansas, Logan County, Ozark National Forest

T7N, R24W, 5th Principal Meridian

Sec. 32, E2SE.

Minerals Revert to the United States on January 1, 2012

80.00 Acres

\$120.00 Rental

FUTURE INTEREST PARCEL

ES-065-09/07 ARES 055057 is subject to the following terms and conditions:

Prior to the effective date of the future interest lease, the successful bidder will be required to join any existing Federal unit agreement. Prior to the effective date of the future interest lease, or as soon thereafter as practical, the successful bidder will be required to join any existing private unit agreement. If unable to join, a statement giving satisfactory reasons for the failure to enter into such agreement(s) must be filed with the Jackson Field Office; 411 Briarwood Drive, Suite 404; Jackson, MS 39206. If such statement is acceptable, the lessee shall be permitted to operate independently. Where the terms of the private unit agreement are in conflict with Federal regulations shall prevail.

Where a parcel is subject to a Federal communitization agreement (CA), the successful bidder will be required to join the Federal CA by joinder prior to the effective date of the lessee.

The successful bidder, if not the present operator, is responsible for making a separate agreement with the present operator for compensation for improvements made on the leasehold. The United States will not be a party to, nor be involved in, negotiations for or review of such agreement.

By the effective date of the future interest lease or as soon thereafter as practical, the successful bidder shall furnish the Jackson Field Office Manager a copy of all approved State of Arkansas permits and other well-related information on all existing wells located on the future interest leased lands. The information includes but is not limited to applications for permit to drill, well completion reports, sundry notices, and site facility diagrams.

On and after the effective date of the future interest lease, all wells located on the future interest leased lands shall be subject to Federal oil and gas regulations, Federal onshore oil and gas orders, and notices to lessees. Applicable Federal regulations include, but are not limited to, the Oil and Gas Operations Regulations 43 CFR Part 3160 and the Minerals Management Service Regulations concerning Royalty Management 30 CFR Parts 200 through 243.

On and after the effective date of the future interest lease, all wells which share in allocation of production with the future interest lease shall be subject to the Federal oil and gas regulations, Federal onshore oil and gas orders, and notices to lessees as they pertain to production accountability. Applicable regulations are cited above.

Lease operations are expected to be in compliance with all Federal regulations, orders, and notices concerning production accountability on the effective date of the lease. A 90-day grace period will be allowed for compliance with Federal regulations, orders, and notices, which are not related to production accountability.

For wells producing on the effective date of the lease and on which royalty is due anywhere on the lease site or allocated to a lease site, the lessee/operator shall notify the Jackson Field

Manager not later than the fifth business day after the effective date of the lease by letter, sundry notice (Form 3160-5), or orally followed by a letter or sundry notice, of the date on which such production began, which is the effective date of the lease. For wells not producing on the effective date of the lease, such notification of production is required by no later than the fifth business day after the well begins productions (43 CFR 3162.4-1(c)).

On the effective date of the lease, the lessee/ operator shall inventory stocks of liquid hydrocarbons on hand and/or install new gas charts. Monthly reports of operations (Form MMS-3160) are required for all operating leases beginning on the effective date of the lease. Reports shall be filled with the Minerals Management Service, Production Accounting Division on or before the 15th day of the second month following the operations month (43 CFR 3162.4-3).

The successful bidder is advised to contact the Jackson Field Manager at the above address or by telephone (601) 977-5400, prior to the effective date of the lease so that a courtesy inspection may be conducted to regulations, orders, and notices.

Bond Information: A lease bond (43 CFR Subpart 3104) in the amount of not less than \$10,000 conditioned upon compliance with all terms and conditions of the lease must be furnished prior to entry and commencement of lease operations. If the lease has a producing well and/or ancillary facilities on the effective date of the lease, a bond or evidence of a sufficient existing Federal oil and gas lease bond is required on the effective date of the lease. If the lessee has a Federal Nationwide bond, or a Statewide bond for the State of Arkansas, no additional bond under the provisions of 43 CFR Subpart 3104 will be required.

**CONTROLLED SURFACE USE STIPULATION #1B
OZARK (AR)**

Surface occupancy or use is subject to the following special operating constraints.

Activities must be conducted in such a manner as to protect Oak Savannah/Woodland Management Areas.

On the public domain lands described below:

T11N, R16W, Fifth PM

Section 29:	S2N2, SW, N2SE, SWSE, N2SESE, N2SWSESE, SWSWSESE, N2SESESE
Section 30:	N2SW
Section 31:	NWNE, SENE, S2SWNW, N2NWSW, S2N2SW
Section 32:	SENE, S2NENENE, S2SWNENE, W2NENWNE, NWNWNE, W2SWNWNE, E2NW, NESW, S2SW, SWSE

For the purpose of:

Meeting the Forest Management Direction of Chapter 2, pages 30-31 of the Ozark-St. Francis National Forests Land & Resource Management Plan effective January 2006.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

**CONTROLLED SURFACE USE STIPULATION #1C
OZARK (AR)**

Surface occupancy or use is subject to the following special operating constraints.

Activities must be conducted in such a manner as to protect the inherent ecological processes and functions of the associated aquatic, riparian, and upland components within riparian corridors.

On the public domain lands described below:

T11N, R16W, Fifth PM

Section 31: S2SWNW, N2NWSW

For the purpose of:

Meeting the Forest Management Direction of Chapter 2, pages 30-31 of the Ozark-St. Francis National Forests Land & Resource Management Plan effective January 2006.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

CONTROLLED SURFACE USE STIPULATION #1A
OZARK (AR)

Surface occupancy or use is subject to the following special operating constraints.

Activities must be conducted in such a manner as to protect the inherent ecological riparian corridors.

On the public domain lands described below:

T12N, R17W, Fifth PM

Section 31: W2NWNE, N2NENW, E2SESW

For the purpose of:

Meeting the Forest Management Direction of Chapter 2, pages 30-31 of the Ozark-St. Francis National Forests Land & Resource Management Plan effective January 2006.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

CONTROLLED SURFACE USE STIPULATION #1

OZARK (AR)

Surface occupancy or use is subject to the following special operating constraints.

Activities must be conducted in such a manner as to protect the inherent ecological processes and functions of the associated aquatic, riparian, and upland components within riparian corridors.

On the acquired lands described below:

T12N, R18W, Fifth PM

Section 2: NWNE, S2NENW, W2SWNW, NESWNW
Section 3: E2SE, S2SWSE
Section 6: W2NW
Section 7: NENWNW, NESWNW
Section 10: NENE, W2NWNE
Section 11: N2WNW, S2NWNW
Section 13: W2SESW
Section 14: S2NESE, SWNWSW
Section 16: N2NENE, E2NWNE, SWNE, W2NENW, E2NWNW, SENW
Section 17: W2NWNW
Section 21: SWSE, S2SESE
Section 22: SWNW, N2SENE, N2SWNE
Section 28: NWNWNE, NENW
Section 29: W2W2SW
Section 30: E2E2SE
Section 35: E2W2NW

For the purpose of:

Meeting the Forest Management Direction of Chapter 2, pages 30-31 of the Ozark-St. Francis National Forests Land & Resource Management Plan effective January 2006.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

CONTROLLED SURFACE USE STIPULATION #1A

OZARK (AR)

Surface occupancy or use is subject to the following special operating constraints.

Activities must be conducted in such a manner as to protect Oak Savannah/Woodland Management Areas.

On the acquired lands described below:

T12N, R18W, Fifth PM

Section 1:	S2NW
Section 2:	S2NENE, SENE, SENW, SWSW, SE
Section 3:	NESW, S2SW, W2SE, E2NESE, E2SESE, SWSESE
Section 4:	N2SE, SESE
Section 5:	S2SW
Section 6:	E2W2NW, SWSE, E2SE
Section 7:	NWNE, SWNW, NWSW
Section 8:	N2NW
Section 9:	S2NE, NESW, NWSE
Section 10:	N2NE, SENE, NENW, E2SW, SE
Section 11:	N2NE, N2NW, SWNW, SW
Section 12:	E2E2, SESW, SWSE
Section 13:	NWNE, NENW, SENE, NESE
Section 14:	N2SWNE, SWSWNE, NW, N2SW, NWSE, SWNESE
Section 15:	N2NE
Section 16:	NENENE, NWNE, N2SWNE, NW, W2NWSW
Section 17:	NWNW
Section 19:	pt. SWNW

For the purpose of:

Meeting the Forest Management Direction of Chapter 2, pages 30-31 of the Ozark-St. Francis National Forests Land & Resource Management Plan effective January 2006.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

CONTROLLED SURFACE USE STIPULATION #1B

OZARK (AR)

Surface occupancy or use is subject to the following special operating constraints.

Activities must be conducted in such a manner as to protect oak decline restoration areas.

On the acquired lands described below:

T12N, R18W, Fifth PM

Section 16: W2NENE, S2NE, SESENW, W2SW, N2SE, SESE

Section 17: N2NESWSW, SENESWSW, NESESWSW, NWSWSESW, S2S2SESW

Section 20: E2NENW, E2NWNENW

Section 21: S2SE, part of N2SE

Section 22: SWNE, S2NW, W2SW, SESW, NWSE, SWSWSE, E2W2SESE, E2SESE

Section 23: NWNW, NWSENW, SWSW

Section 26: NWNW, NWSWNW, part of NWNE and NENW, part of NESWNW

Section 27: NENE, SW, SWSE

Section 28: SWNE, NWNE less 1.43 acres, NENW, N2SESE, SESESE, NWSWSE

Section 29: W2SW

Section 30: E2SE

Section 35: N2NWNE, NW

For the purpose of:

Meeting the Forest Management Direction of Chapter 2, pages 30-31 of the Ozark-St. Francis National Forests Land & Resource Management Plan effective January 2006.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

CONTROLLED SURFACE USE STIPULATION #1C

OZARK (AR)

Surface occupancy or use is subject to the following special operating constraints:

Activities must be conducted in such a manner as to protect forage and cover in large wildlife openings and range and foraging opportunities within improved pastures on managed allotments.

On the acquired lands described below:

T12N, R18W, Fifth PM

Section 17:	W2W2NWNW
Section 18:	N2NE, SENE
Section 23:	E2NENE, NESENE
Section 24:	NWNW, N2SWNW

For the purpose of:

Meeting the Forest Management Direction of Chapter 2, pages 30-31 of the Ozark-St. Francis National Forests Land & Resource Management Plan effective January 2006.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

CONTROLLED SURFACE USE STIPULATION #1D

OZARK (AR)

Surface occupancy or use is subject to the following special operating constraints.

Activities must be conducted in such a manner as to protect the inherent ecological processes and functions of the associated aquatic, riparian, and upland components within riparian corridors.

On the public domain lands described below:

T12N, R18W, Fifth PM

Section 2: NWSWNE, SESWNW
Section 4: E2W2
Section 5: W2NENW, SENW, W2W2SE, SWSWNE
Section 6: NWNENW, NWNWSW
Section 7: W2NWNW, W2SEW, NESW, S2N2SE, NESESE
Section 8: SWSWSW
Section 9: W2NENW, E2SWNW, NWSW, W2SW
Section 10: N2SEW, SWNW, W2SW
Section 11: SWSWNE, SENW, NWSE
Section 13: S2NWSW, E2SWSW
Section 14: N2S2S2
Section 15: E2NESE, S2S2NE, SENW, NWNW, NESWNW
Section 17: NWSWNW, W2SWSW, W2SESWSW, SWNESWSW, W2SESWSW, SESESWSW
Section 18: W2NWNW, NWSWNW, E2SWNW, E2NWSW, SWNESW, E2SESW
Section 19: SESENE, NENESE
Section 20: W2W2NW, W2NWSW, SWSW
Section 22: S2N2NE, N2SENE, S2NENW
Section 23: SWNW, W2SESWNW, NWSW, SWNESW, SESW
Section 25: SWSENE, NESE
Section 26: S2SWSW
Section 27: SWNE, SWNENW, NWNW, N2SEW, NENWSE, W2NESE, SESE
Section 28: SENWNW, NENENE
Section 29: W2NW, SESWSE, SESESE
Section 31: NENE, SENWNE, SWNE, S2NW, SWNWNW, NWSENE
Section 32: NENW, N2NWNW, E2SWSE, W2SESE

For the purpose of:

Meeting the Forest Management Direction of Chapter 2, pages 30-31 of the Ozark-St. Francis National Forests Land & Resource Management Plan effective January 2006.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

CONTROLLED SURFACE USE STIPULATION #1E

OZARK (AR)

Surface occupancy or use is subject to the following special operating constraints.

Activities must be conducted in such a manner as to protect Oak Savannah/Woodland Management Areas.

On the public domain lands described below:

T12N, R18W, Fifth PM

Section 1:	SW, W2SE, W2W2NESE, SESE
Section 2:	SWNE, SESWNW, E2SW
Section 3:	W2NE, NW, NWSW
Section 4:	N2, SW, SWSE
Section 5:	N2, N2SW, SE
Section 6:	NE, E2NW, SW, NWSE
Section 7:	E2NE, SWNE, N2NW, SENW, E2SW, SWSW, SE
Section 8:	NE, S2NW, S2
Section 9:	N2N2, S2NW, NWSW, S2S2, NESE
Section 10:	SWNE, W2W2, SENW
Section 11:	S2NE, SENW, SE
Section 12:	W2NE, NW, W2SW, NESW, NWSE
Section 13:	NENE, NWNW, N2SWNE, SESWNE, E2NWSE
Section 14:	N2NE, N2S2S2
Section 15:	S2NE, E2NW, NWNW, NENESE
Section 17:	E2, NENW, S2NW, NESW, E2NWSW, E2W2NWSW, N2SESW, NESWSESW, N2SESESW
Section 18:	SWNE, W2, W2SE, NWNESE, W2SWNESE, N2SESE, SWSESE
Section 19:	N2NWNE, N2NW, SENW
Section 20:	N2N2NE

For the purpose of:

Meeting the Forest Management Direction of Chapter 2, pages 30-31 of the Ozark-St. Francis National Forests Land & Resource Management Plan effective January 2006.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

CONTROLLED SURFACE USE STIPULATION #1F

OZARK (AR)

Surface occupancy or use is subject to the following special operating constraints.

Activities must be conducted in such a manner as to protect oak decline restoration areas.

On the public domain lands described below:

T12N, R18W, Fifth PM

Section 15: S2S2SE

Section 17: W2SWSW, SWNESWSW, W2SESWSW, SESESWSW, NESWSESW,
N2SESESW, E2SESE

Section 18: E2SESE, SWSESE

Section 19: E2, SENENW, SENW

Section 20: E2, W2NWNENW, SWSESW, W2NW, SENW, SW

Section 21: NENE, NW, E2NESW, E2W2NESW, NWNWNESW, SWSWNESW,
N2NENWSW, NENWNWSW, W2W2NWSW, SESWNWSW, S2SW,
S2SENWSW

Section 22: N2N2, SENE, NESW

Section 23: SWNW, N2SW, SESW

Section 26: E2NESW, S2SW

Section 27: W2NE, SENE, NW, N2SE, SESE

Section 28: E2NE, NWNW, NESW, N2SESW, NESE

Section 29: N2, E2SW, N2SE, SWSE

Section 30: N2, SW, W2SE

Section 31: ALL

Section 32: SWNE, NW, NWSW, W2NESW, W2SWSW, NWNESWSW

Section 34: N2NENW, NENWNW

Section 35: NW, NWNWNE

For the purpose of:

Meeting the Forest Management Direction of Chapter 2, pages 30-31 of the Ozark-St. Francis National Forests Land & Resource Management Plan effective January 2006.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

CONTROLLED SURFACE USE STIPULATION #1G

OZARK (AR)

Surface occupancy or use is subject to the following special operating constraints:

Activities must be conducted in such a manner as to protect forage and cover in large wildlife openings and range and foraging opportunities within improved pastures on managed allotments.

On the public domain lands described below:

T12N, R18W, Fifth PM

Section 7:	S2SWSE, SWSESE
Section 17:	W2W2SWNW
Section 35:	E2SENE, E2NESE

For the purpose of:

Meeting the Forest Management Direction of Chapter 2, pages 30-31 of the Ozark-St. Francis National Forests Land & Resource Management Plan effective January 2006.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

NO SURFACE OCCUPANCY STIPULATION #2

OZARK (AR)

No surface occupancy or use is allowed on the public domain lands described below:

T12N, R18W, Fifth PM

Section 24: NWSW

For the purpose of:

To protect the Walker Mountain Tower Site. This meets the Forest Management Direction of Chapter 2, pages 30-31 of the Ozark-St. Francis National Forests Land & Resources Management Plan effective January 2006, which prohibits surface occupancy in areas managed for administrative sites.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes

LEASE NOTICE #3

All or part of the leased lands may contain animal or plant species classified under the Endangered Species Act of 1973, as amended. Other species may have been identified as sensitive in accordance with Forest Service Manual 2670 and be listed on the current Regional Forester's List of Sensitive Plant and Animal Species. Further information concerning the classification of these species may be obtained from the authorized Forest Officer.

Exploration and development proposals may be limited or modifications required if activity is planned within the boundaries of a threatened, endangered or sensitive plant or animal species location as it then exists. All activities within these areas must be conducted in accordance with existing laws, regulations and the Forest Land and Resource Management Plan guidelines.

LEASE NOTICE #4

All or part of the leased lands may be classified as wetlands in accordance with Executive Order 11990, "Protection of Wetlands" or a floodplain in accordance with Executive Order No. 11988, "Floodplain Management." Additional management requirements for the protection of riparian areas are contained in 36 CFR 219.27(e) and the National Forest Management Act of 1976.

All activities within these areas may require special measures to mitigate adverse impacts to the resource values. They must comply with the above referenced executive orders, regulations, laws and be in accordance with the Forest Land and Resource Management Plan guidelines.

Further information concerning the classification and management of these lands may be obtained from the authorized Forest Officer.

**STIPULATION FOR LANDS OF THE NATIONAL FOREST SYSTEM UNDER
JURISDICTION OF DEPARTMENT OF AGRICULTURE**

The licensee/permittee/lessee must comply with all the rules and regulations of the Secretary of Agriculture set forth at Title 36, Chapter II, of the Code of Federal Regulations governing the use and management of the National Forest System (NFS) when not inconsistent with the rights granted by the Secretary of the Interior in the license/prospecting permit/lease. The Secretary of Agriculture's rules and regulations must be complied with for (1) all use and occupancy of the NFS prior to approval of a permit/operation plan by the Secretary of the Interior, (2) uses of all existing improvements, such as Forest development roads, within and outside the area licensed, permitted or leased by the Secretary of the Interior, and (3) use and occupancy of the NFS not authorized by a permit/operating plan approved by the Secretary of the Interior.

All matters related to this stipulation are to be addressed to:

Forest Supervisor, Ozark – St. Francis National Forest
605 West Main Street
Russellville, AR 72801
Telephone (479) 964-7200

BLM Field Office

Jackson Field Office
411 Briarwood Drive
Suite 404
Jackson, Mississippi 39206

Surface Management Agency

USDA, Forest Service - Region 8
Room 792 South, Lands & Minerals
1720 Peachtree Road, N.W.
Atlanta, Georgia 30367

Privatively – Owned Surface Tracts

Arkansas

ES-066-09/07 ARES 055058 ACQ *ARES 053595 ACQ

Arkansas, Crawford County, BLM

T11N, R32W, 5th Meridian

Sect. 27, Part of SENE and E2SE described as follows: Beginning on the south line of Section 27, at a point 688.05 feet west of the southeast corner of Section 27, thence north 396 feet to a corner, thence south 73 degrees 55 minutes east 29.04 feet to the centerline of State Road 59, thence northerly along and with the centerline of State Road 59 3,488 feet to the U.S. property line, thence north 88 degrees west 231.0 feet along and with the property line to a corner on the bank of the creek, thence north 132.0 feet to a corner on the north line of the SENW, thence west 825.0 feet to the northwest corner of the SENE, thence south 3,960.0 feet to the southwest corner of the SESE, thence east 631.95 feet to the POB, containing 79.85 acres, more or less.

79.85 Acres

\$120.00 Rental

Subject to BLM Controlled Surface Use Stipulations (Nos. 1, 2, 3 and 6) and Lease Notices

ES-067-09/07 ARES 055059 ACQ

Arkansas, Conway County, BLM

T9N, R14W, 5th Meridian

Sec. 33, NENE, NESW.

80.00 Acres

\$120.00 Rental

Subject to BLM Controlled Surface Use Stipulations (Nos. 1, 2, 3 and 6) and Lease Notices

Louisiana

ES-068-09/07 LAES 055060 PD

Louisiana, DeSoto Parish, BLM

T12N, R12W, Louisiana Meridian

Sec. 6, SWSW.

39.85 Acres

\$60.00 Rental

ES-069-09/07 LAES 055061 PD

Louisiana, Caddo Parish, BLM

T15N, R16W, Louisiana Meridian

Sec. 6, NENE.

41.00 Acres

\$61.50 Rental

ES-070-09/07 LAES 055062 PD

Louisiana, Jackson Parish, BLM
T16N, R1W, Louisiana Meridian
Sec. 32, NENE.

40.00 Acres
\$60.00 Rental

ES-071-09/07 LAES 055063 PD

Louisiana, Bienville Parish, BLM
T16N, R7W, Louisiana Meridian
Sec. 15, NESW.

39.88 Acres
\$60.00 Rental

ES-072-09/07 LAES 055064 PD

Louisiana, Jackson Parish, BLM
T17N, R1W, Louisiana Meridian
Sec. 4, NENE.

40.00 Acres
\$60.00 Rental

ES-073-09/07 LAES 055065 PD

Louisiana, Jackson Parish, BLM
T17N, R12W, Louisiana Meridian
Sec. 36, SWNW.

40.00 Acres
\$60.00 Rental

ES-074-09/07 LAES 055066 PD

Louisiana, Lincoln Parish, BLM
T18N, R1W, Louisiana Meridian,
Sec. 24, SWNE.

40.13 Acres
\$61.50 Rental

ES-075-09/07 LAES 055067 PD

Louisiana, Caddo Parish, BLM
T19N, R15W, Louisiana Meridian
Sec. 4, SESW, SWSE;
Sec. 6, S2NW, W2SW, NESW;
Sec. 8, SESW, SWSE, NENE.

406.36 Acres
\$610.50 Rental

ES-076-09/07 LAES 055068 PD *LAES 053576 PD

Louisiana, Caddo Parish, BLM
T20N, R16W, Louisiana Meridian
Fractional Sec. 20, All.

37.83 Acres

\$57.00 Rental

Subject to BLM Controlled Surface Use Stipulations (Nos. 1, 3 and 6), BLM No Surface
Occupancy and Lease Notices

ES-077-09/07 LAES 055069 PD

Louisiana, Webster Parish, BLM
T21N, R10W, Louisiana Meridian
Sec. 19, S2NE.

79.900 Acres

\$120.00 Rental

ES-078-09/07 LAES 055070 PD

Louisiana, Webster Parish, BLM
T23N, R10W, Louisiana Meridian
Sec. 31, W2SE.

79.83 Acres

\$120.00 Rental

ES-079-09/07 LAES 055071 PD

Louisiana, Caldwell Parish, BLM
T14N, R4E, Louisiana Meridian
Sec. 2, Lots 4 and 5.

72.72 Acres

\$109.50 Rental

ES-080-09/07 LAES 055072 PD

Louisiana, Caldwell Parish, BLM
T14N, R4E, Louisiana Meridian
Sec. 10, NWNE, SESE;
Sec. 11, NWNW, NWNE, SESE, NESE, SWSW;
Lots 1, 2, 7, and 8.

380.25 Acres

\$571.50 Rental

ES-081-09/07 LAES 055073 PD

Louisiana, Caldwell Parish, BLM
T14N, R4E, Louisiana Meridian
Sec. 12, SW;
Sec. 13, NWNW, SWNW, N2SW, SESW, Lot 8.

234.72 Acres

\$352.50 Rental

ES-082-09/07 LAES 055074 PD

Louisiana, Caldwell Parish, BLM
T14N, R4E, Louisiana Meridian
Sec. 14, N2NW, SESW, SWSE;
Lots 2, 6 and 7.

256.00 Acres
\$384.00 Rental

ES-083-09/07 LAES 055075 PD

Louisiana, Caldwell Parish, BLM
T14N, R4E, Louisiana Meridian
Sec. 22, NENE;
Sec. 23, SWNW and Lot 2.

87.58 Acres
\$132.00 Rental

ES-084-09/07 LAES 055076 PD

Louisiana, Caldwell Parish, BLM
T14N, R4E, Louisiana Meridian
Sec. 26, W2, W2NE;
Lots 1, 2, 3, 4, and 5.

516.58 Acres
\$775.00 Rental

ES-085-09/07 LAES 055077 PD

Louisiana, Caldwell Parish, BLM
T15N, R3E, Louisiana Meridian
Sec. 21, SESW.

40.00 Acres
\$60.00 Rental

ES-086-09/07 LAES 055078 PD

Louisiana, Ouachita Parish, BLM
T19N, R5E, Louisiana Meridian
Sec. 18, S2NW;

80.44 Acres
\$121.50 Rental

ES-087-09/07 LAES 055079 PD

Louisiana, Ouachita Parish, BLM
T19N, R5E, Louisiana Meridian
Sec. 20, SWNW;

40.12 Acres
\$61.50 Rental

ES-088-09/07 LAES 055080 PD

Louisiana, Ouachita Parish, BLM
T19N, R5E, Louisiana Meridian
Sec. 30, SWSE.

39.91 Acres
\$60.00 Rental

ES-089-09/07 LAES 055081 PD

Louisiana, Calcasieu Parish, BLM
T7S, R11W, Louisiana Meridian
Sec. 34, NESE, SWSE.

80.29 Acres
\$121.50 Rental

ES-090-09/07 LAES 055082 PD

Louisiana, Calcasieu Parish, BLM
T8S, R9W, Louisiana Meridian
Sec. 29, SWNE.

40.41 Acres
\$61.50 Rental

ES-091-09/07 LAES 055083 PD

Louisiana, Calcasieu Parish, BLM
T10S, R9W, Louisiana Meridian
Sec. 15, Lot 2.

17.30 Acres
\$27.00 Rental

ES-092-09/07 LAES 055084 PD

Louisiana, St. Landry Parish, BLM
T7S, R6E, Louisiana Meridian
Sec. 20, NENE, W2NE, NENW, SENE, NESE.

240.00 Acres
\$360.00 Rental

ES-093-09/07 LAES 055085 PD

Louisiana, Iberville Parish, BLM
T10S, R14E, Louisiana Meridian
Sec 10, All of fractional section

29.96 Acres
\$45.00 Rental

ES-094-09/07 LAES 055086 PD

Louisiana, Iberville Parish, BLM
T11S, R14E, Louisiana Meridian
Sec. 1, Lots 4 and 5.

160.16 Acres
\$241.50 Rental

ES-095-09/07 LAES 055087 PD

Louisiana, Vermilion Parish, BLM
T12S, R1E, Louisiana Meridian
Sec. 26, Lot 6 less S2;

Sec. 27, Lot 5 less S2E2, Lot 6.
295.80 Acres
\$444.00 Rental

ES-096-09/07 LAES 055088 ACQ

Louisiana, Caldwell Parish, BLM
T15N, R3E, Louisiana Meridian
Sec. 34, Lot 8.

40.00 Acres
\$60.00 Rental

Corps of Engineers Administrated Lands

ES-097-09/07 LAES 055089 ACQ

Louisiana, St. Charles Parish, COE

T12S, R8E, Louisiana Meridian

Sec. 1, All;

Sec. 2, All of Section 2 West of the East Guide Levee, including said Levee;

Sec. 3, All of Section 3 West of the East Guide Levee, including said Levee;

Sec. 4, All of Section 4 West of the East Guide Levee, including said Levee;

Sec. 5, All of Section 5 West of the East Guide Levee, including said Levee;

Sec. 6, All of Section 6 West of the East Guide Levee, including said Levee;

Sec. 21, All of Section 21 West of the East Guide Levee, including said Levee;

Sec. 22, All.

1,220.03 Acres

\$1,831.50 Rental

Subject to BLM No Surface Occupancy and Lease Notices

ES-098-09/07 LAES 055090 ACQ

Louisiana, St. Charles Parish, COE

T12S, R8E, Louisiana Meridian

Sec. 23, All.

Sec. 24, All.

Sec. 25, All.

Sec. 26, All.

Sec. 27, All of Section 27 West of the East Guide Levee, including said Levee.

1,413.34 Acres

\$2,121.00 Rental

Subject to BLM No Surface Occupancy and Lease Notices

ES-099-09/07 LAES 055091 ACQ

Louisiana, St. Charles Parish, COE

T12S, R8E, Louisiana Meridian

Sec. 46, All;

Sec. 47, All;

Sec. 48, All;

Sec. 49, All.

781.36 Acres

\$1,173.00 Rental

Subject to BLM No Surface Occupancy and Lease Notices

ES-100-09/07 LAES 055092 ACQ

Louisiana, St. Charles Parish, COE

T12S, R7E, Louisiana Meridian

Sec. 12, All of Section 12 West of the East Guide Levee, including said Levee;

Sec. 13, All;

Sec. 14, All.

411.81 Acres

\$618.00 Rental

Subject to BLM No Surface Occupancy and Lease Notices

ES-101-09/07 LAES 055093 ACQ

Louisiana, St. Charles Parish, COE

T11S, R8E, Louisiana Meridian

Sec. 21, All of Section 21 East of the West Guide Levee, including said Levee;

Sec. 22, All;

Sec. 27, All;

Sec. 28 All;

Sec. 29, All of Section 29 East of the West Guide Levee, including said Levee.

1,245.07 Acres

\$1,869.00 Rental

Subject to BLM No Surface Occupancy and Lease Notices

ES-102-09/07 LAES 055094 ACQ

Louisiana, St. Charles Parish, COE

T11S, R8E, Louisiana Meridian

Sec. 31, All;

Sec. 32, All;

Sec. 33, All.

1,175.80 Acres

\$1,764.00 Rental

Subject to BLM No Surface Occupancy and Lease Notices

ES-103-09/07 LAES 055095 ACQ

Louisiana, St. Charles Parish, COE

T11S, R8E, Louisiana Meridian

Sec. 34, All of Section 34 West of the East Guide Levee, including said Levee;

Sec. 35, All of Section 35 West of the East Guide Levee, including said Levee;

Sec. 39, All of Section 39 West of the East Guide Levee, including said Levee;

Sec. 40, All of Section 40 West of the East Guide Levee, including said Levee;

Sec. 41, All.

826.84 Acres

\$1,240.50 Rental

Subject to BLM No Surface Occupancy and Lease Notices

BLM CONTROLLED SURFACE USE STIPULATIONS

Description: Ten counties (Johnson, Lafayette, Logan, White, Yell, Van Buren, Cleburne, Conway, Crawford, and Faulkner County) in the state of Arkansas

Lease Stipulation No. 1

This lease may be found to contain historic properties and/or resources protected under the National Historic Preservation Act (NHPA), American Indian Religious Freedom Act, Native American Graves Protection and Repatriation Act, E.O. 13007, or other statutes and executive orders. The BLM will not approve any ground disturbing activities that may affect any such properties or resources until it completes its obligations under applicable requirements of the NHPA and other authorities. *These obligations may include a requirement that you provide a cultural resources survey conducted by a professional archaeologist.* The BLM may require modification to exploration or development proposals to protect such properties, or disapprove any activity that is likely to result in adverse effects that cannot be successfully avoided, minimized or mitigated.

Modification: None

Waiver: This stipulation may be waived by the Authorized Officer if it is documented that a cultural resources survey, which meets professional standards, has been conducted and significant sites, including sites of concern to Native Americans, will not be impacted by development of this lease, or if it is documented that a cultural resources survey is not otherwise required.

Exemptions: An exemption may be granted for a specific development proposal if it is documented that a cultural resources survey, which meets professional standards, has been conducted on the area of proposed development and significant sites, including sites of concern to Native Americans, will not be impacted by development of this lease, or if it is documented that a cultural resources survey is not otherwise required.

Lease Stipulation No. 2

American Burying Beetle Stipulation for split-estate and U.S. Army Corps of Engineers surface in Crawford, Franklin, Little River, Johnson, Logan, Montgomery, Polk, Sebastian, Sevier, and Scott, and Yell counties, Arkansas

1. If the project entails more than three acres of disturbance, the applicant will be required to conduct a trap and release program for American burying beetle utilizing accepted protocols outlined in the reasonable and prudent measures in the programmatic biological opinion written by the U.S. Fish and Wildlife Service, Conway Ecological Services Office and dated December 19, 2006. This trap and release program must be conducted by a U.S. Fish and Wildlife Service permitted section 10 biologist during the beetle's active season, between May 20 and September 20.
2. Release sites require U.S. Fish and Wildlife Service and landowner approval prior to conducting the trap and release program.
3. Only those pesticides or herbicides approved for use in ABB areas will be authorized for use by the lessee. No electric insect killers will be used by the lessee.

Modification: The disturbance threshold maybe increased to 5 acres if the site is more than five miles from Ft. Chaffee, Cherokee and H.E. Flanagan Natural Areas, and the National Forests in Arkansas.

Exception: There may be an exception made for this stipulation for individual projects located in habitats not considered suitable for ABB, including sites with any of the following characteristics:

- a. Soil that is greater than 70 percent sand.
- b. Soil that is greater than 70 percent clay.
- c. Land where greater than 80 percent of the soil surface is comprised of rock.
- d. Land where greater than 80 percent of the subsurface soil structure within the top four inches is comprised of rock.
- e. Land that has already been developed and no longer exhibits topsoil or leaf litter.
- f. Land that is tilled on at least an annual basis.
- g. Land that meets the U.S. Army Corps of Engineers definition of wetland. (However, projects developed in this type of habitat will need to be reviewed by the Corps to ensure compliance with section 404 of the Clean Water Act.
- h. Pine plantations planned for mechanical treatment where stocking density is 750 or more trees per acre (little sunlight to forest floor).
- i. Shortleaf pine or shortleaf pine – hardwood forest stands with 110 square feet per acre or greater overstory basal area and more than 700 stems per acre occupying midstory or understory positions.

Waiver: None

Lease Stipulation 3

To protect wildlife and watershed values, no construction activities will be permitted within 250' of a perennial or intermittent creek or stream.

Exception: An exception may be granted if the operator agrees to implement measures developed in consultation with USFWS and in coordination with state agencies.

Modification: In areas where the slope is less than 10% the buffer may be reduced to 100 feet if the adjacent waterway has been surveyed from 100 yards upstream to 300 yards downstream of the site, and results document the lack of suitable/occupied habitat for special status species within the mixing zone downstream of the project, as determined to by BLM and USFWS.

Modification: The buffer may be extended if the intervening slope exceeds 10%.

Waiver: None

Lease Stipulation 4

No surface occupancy is permitted within the floodplain of Little Red River, nor can water be diverted from the Little Red River to develop a federal well on this lease. Closed systems will be used on this lease within the watershed of the Little Red River.

Exception: An exception may be granted with concurrence from Fish and Wildlife Service and the State that the project is not likely to adversely affect federally listed species.

Modification: None

Waiver: None

Lease Stipulation 5 - Bald Eagle.

No surface occupancy shall be permitted within 660 of an active or alternate Bald Eagle nest.

Objective: To avoid impacts to nesting eagles, including courtship and nesting behavior, egg laying and incubation, and feeding and fledging activity.

Exception: An exception may be granted for disturbance outside of the nesting season if the operator agrees to implement measures developed in consultation with the USFWS and in coordination with state agencies.

Exception: An exception may be granted if the nest has not been used for at least 5 years.

Modification: The distance may be reduced to 330 feet, or as close as the existing tolerated activity of similar scope for activities outside of the nesting season if there is similar activity within a mile of the proposed well site and the activity will not be visible from the nest site.

Waiver: The stipulation may be waived if no nest sites are identified on or within 660 feet of the leased tract.

Lease Stipulation 6

The lease area may now or hereafter contain plants, animals, or their habitats determined to be threatened, endangered, or other special status species. BLM may recommend modifications to exploration and development proposals to further its conservation and management objective to avoid BLM-approved activity that will contribute to a need to list such a species or their habitat. BLM may require modifications to or disapprove proposed activity that is likely to result in jeopardy to the continued existence of a proposed or listed threatened or endangered species or result in the destruction or adverse modification of a designated or proposed critical habitat. BLM will not approve any ground-disturbing activity that may affect any such species or critical habitat until it completes its obligations under applicable requirements of the Endangered Species Act as amended, 16 U.S.C. 1531 et seq., including completion of any required procedure for conference or consultation.

Modification: None

Exception: None

Waiver: None

BLM NO SURFACE OCCUPANCY

LOUISIANA

No surface occupancy or use is allowed on the lands described below unless application by letter for a waiver (as defined below) is made that demonstrates that surface occupancy on the leasehold is necessary to produce the lease, consent is given by the Surface Management Agency, if applicable, and subsequent environmental analysis shows that surface occupancy, as requested, would not result in unacceptable adverse impacts to the environment, as determined by the Authorized Officer.

Location: Section 20, T. 20 N., R. 16 W., Louisiana Meridian, Caddo Parish, Louisiana, containing 37.83 acres.

Waiver: A waiver from this lease stipulation may be granted for all or portion of this lease. Prior to granting a waiver, environmental analysis and appropriate documentation must be completed based on a Reasonably Foreseeable Development Scenario. The analysis must consider past, present, and reasonable foreseeable impacts on the lease and adjacent areas. With the consent of the Surface Management Agency, if applicable, a waiver of the stipulation may be granted for those portions of the lease identified as not containing sensitive or important historic, cultural, and scenic values, fish or wildlife values or their habitat or other important or sensitive natural systems, processes or human values.

Exception: None.

Modification: None.

BLM Lease Notices (*applies to all “private surface” parcels in AR & LA*):

1. Should the oil or gas be developed at this site, all open vent stack equipment, such as heater-treaters, separators, and dehydrator units, will be designed and constructed to prevent birds and bats from entering or nesting in or on such units, and to the extent practical, to discourage birds from perching on the stacks. Installing cone-shaped mesh covers on all open vents is one suggested method. Flat mesh covers are not expected to discourage perching and will not be acceptable.
2. To discourage the spread of invasive, non-native plants, the operator will be encouraged to use native and/or noninvasive cover plants in seeding mixtures to stabilize disturbed areas and during restoration activities. Final seed mixtures will be formulated in consultation with the private landowner.